

UNITED STATES OF AMERICA
FEDERAL ENERGY REGULATORY COMMISSION

Before Commissioners: Joseph T. Kelliher, Chairman;
Nora Mead Brownell, and Suedeene G. Kelly.

FPL Energy Marcus Hook, L.P.

Docket No. ER05-316-000

ORDER APPROVING UNCONTESTED SETTLEMENT AGREEMENT

(Issued October 14, 2005)

1. On August 22, 2005, FPL Energy Marcus Hook, L.P. (Marcus Hook) and Exelon Corporation (collectively, the Settling Parties) submitted a Settlement Agreement proposing to resolve all pending issues in the above-referenced proceeding. On September 12, 2005, Trial Staff submitted comments in support of the Settlement Agreement. In addition, the Settling Parties state that the Settlement Agreement is not opposed by PJM Interconnection, L.L.C. (PJM), the only other party to this proceeding, and that PJM has agreed to perform the duties set forth in the Settlement Agreement regarding the payment of refunds. On September 15, 2005, the Settlement Judge certified the Settlement Agreement to the Commission as uncontested.
2. The Settlement Agreement provides for revised charges, payable to Marcus Hook by PJM, for Reactive Support and Voltage Control from Generation Sources Service. The Settlement Agreement also provides for the payment of refunds, with interest, in the form of billing adjustments, to be recorded by PJM. The revised charges would be made effective February 1, 2005.
3. The Settlement Agreement is in the public interest and is hereby approved, without modification. In addition, the Commission accepts for filing, effective February 1, 2005, the Settling Parties' proposed rate schedule designations. The Commission's approval of the Settlement Agreement does not constitute approval of, or precedent regarding, any principle or issue in this proceeding. The Commission retains the right to investigate the rates, terms and conditions of the applicable rate schedule under the just and reasonable and not unduly discriminatory standard of section 206 of the Federal Power Act, 16 U.S.C. § 824e (2000).

4. As provided in the Settlement Agreement, refunds shall be made, in the form of billing adjustments to be recorded by PJM, with interest calculated in accordance with the Commission's regulations. Within 15 days after the date refunds are made, a refund report shall be filed with the Commission by Marcus Hook showing the required billing adjustments, as made by PJM.

5. This order terminates Docket No. ER05-316-000. A new sub-docket will be designated upon receipt of the required refund report

By the Commission.

(S E A L)

Magalie R. Salas,
Secretary.